

Charles & Marcia Kent v. Union Mutual Fire Insurance Company

Held October 3, 2017 – Docket No. INS-17-2065

Decision Issued: October 11, 2017

A guardian of the surviving named insured requested a hearing to contest the nonrenewal of a homeowners policy for the dwelling no longer occupied by the named insured. The company did not demonstrate how this affects the insurability of the property.

Held: For the insured. 24-A M.R.S. § 3051 allows nonrenewal for a reason that is in good faith and related to the insurability of the property. The company argued that the dwelling is no longer eligible for the policy form as its underwriting guidelines require owner occupancy. The statute holds that a statement by the insurer that the risk does not meet underwriting guidelines is not considered sufficient proof or evidence of the intended nonrenewal.